



Sanford Health Cuts \$1.4M in Surgical Inventory With Tecsyst's Elite™ Healthcare POU

Results at a glance

\$1.4M

*Reduction in on-hand
surgical inventory*

9,918

*Labor hours modeled in
avoided rework*

91%

*Preference card
accuracy sustained*

45%

*Baseline waste in unused
picks eliminated*



About Sanford Health

Sanford Health is the largest rural health system in the U.S., headquartered in Sioux Falls, South Dakota. It serves more than one million patients and 220,000 health plan members across a 250,000-square-mile region, with 47 medical centers.

The margin drain in ORs

Sanford Health's sterile processing department (SPD) faced a chronic issue: nearly half of the supplies picked for surgical cases came back unused. Point-of-use scanning was inconsistent, making it impossible to distinguish between items that were used, lost or wasted. The outcome was bloated shelves, wasted labor returning unopened items and compliance risks around expiries and recalls. Finger-pointing between the OR and sterile processing only compounded the frustration.

How Sanford **fixed it**

Sanford launched a cross-functional Maintain Gains program that used Tecsyst's Elite™ Healthcare POU data to align the OR, sterile processing and supply chain teams around shared facts. The approach centered on four steps:

Connect at point of use

Sanford integrated Elite™ Healthcare POU with Epic through the Clinical Documentation User Interface (CDUI) so that item usage was captured at the patient and procedure level, enabling accurate case costing.

Create visibility

The team used monthly green sheets to show exactly what was picked, scanned and returned, eliminating guesswork and finger-pointing.

Right-size cards

Sanford kept items used 90–100% of the time, moved 21–89% to PRN and removed 0–20%. The team standardized secondary storage so needed items remained accessible without overloading carts.

Govern to sustain

The team applied bowling charts to track utilization thresholds and blue sheets to flag smart adds that reduced mid-case hunting.



Turning waste **into value**

BEFORE

45%

45% of picked items returned unused; undocumented usage; recurring disputes between OR and SPD; excess inventory tied up dollars with no clear ROI.

AFTER

\$1.4M

Preference cards consistently in the **91% accuracy range**; **588 cards** optimized across Sanford campuses; **on-hand inventory reduced by \$1.4M**; a unified view of supply usage across teams; **9,918 labor hours** in avoidable rework modeled out of the system.

The financial **impact**

Sanford's improvements translated into measurable financial benefits:

- **Lower inventory costs** — Sanford freed up real dollars by removing excess on-hand stock without compromising readiness.
- **Labor savings** — The initiative eliminated nearly 10,000 hours in manual work, protecting labor budgets.
- **Revenue protection** — Greater accuracy reduced case delays and preserved OR throughput.
- **Risk reduction** — Item-level traceability supported expiry and recall management, reducing compliance risk.

Turn data into dollars

with Tecsyst's Elite™ Healthcare POU

Tecsyst's Elite™ Healthcare POU gives health systems full visibility and control over their procedural supply chain. The solution connects procedural areas directly to supply chain and the EHR, ensuring accurate, real-time tracking of items from receipt to patient. It enables hospitals to:

- **Capture item usage at the point of care and link it to patient and case records**
- **Generate surgeon-level, itemized case costing immediately post-procedure**
- **Optimize preference cards using actual utilization data**
- **Automate expiry and recall controls to strengthen compliance**
- **Improve charge capture and documentation accuracy to reduce revenue leakage**

Learn how Tecsyst's Elite™ Healthcare POU can help your health system reduce costs, protect margins and improve financial outcomes.

Contact a Tecsyst expert today

